

Status of Audit Resolution

December 2003

Agency: 105

Office of Financial Management

Audit Number	Finding Number
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2002S	12	Finding:	The Small Agency Client Services (SACS) section of the Office of Financial Management (OFM) has inadequate password controls over financial systems to ensure assets are safeguarded.
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Resolution/Status: OFM is committed to strong internal controls and does not concur with this finding. Current state policy (Subsection 20.20.20 of the *Washington State Administrative and Accounting Manual*) requires agency management to assess risk and establish controls to address the specific needs of the agency. Management feels that the existing system of internal controls adequately manages risks balancing considerations of cost, benefit and risk. OFM appreciates the feedback provided by the audit and in response to the audit, further strengthened the existing system of internal controls by adding additional access controls that limit employees' system access to only that needed to perform their duties.

OFM established four logon IDs per SACS agency to be used as follows:

- Payroll lead position has access to the Human Resources Information Services Division (HRISD) only.
- Payroll support position has access to HRISD only.
- Four non-payroll lead analyst positions have access to the state's agency financial reporting system (AFRS) to allow release and correction only (shared passwords).
- Four non-payroll supporting analyst positions have AFRS access to allow input only (shared passwords).

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